

Office of City Auditor – City of Seattle

Monthly Report – March 2004



The City Auditor is Seattle's independent internal auditor, appointed by the City Council's Finance Committee Chair and confirmed by the full Council. The Office of City Auditor conducts financial, performance, management, and compliance audits of City departments, programs, grantees, and contracts. The office can be reached at (206) 233-3801, or on the Internet at <http://www.seattle.gov/audit>.

Recently Released Reports

In March we released our report on *City-County Records Storage Operations Partnering Opportunities*. The primary objective of the review was to determine whether the City of Seattle and King County could achieve records storage service improvements and cost-savings through partnering. Based on our analysis of the City and County records storage functions, we determined that cost savings could not be achieved through shared storage of non-archive records.

However, opportunities exist for achieving service improvements through the joint purchase and implementation of a new records management software system. Such a system would require an initial investment by the City and County. In addition, the City and County could benefit from private vendor arrangements for storage of excess inactive records.

We anticipated releasing our report on the Carkeek Park Environmental Learning Center in March, but now plan to issue the report on April 8th.

New Projects

Climate change could significantly impact Seattle by affecting a variety of City operations and facilities, including water resources, electricity generation, and the Alaskan Way seawall. How the City is factoring in climate change in its long-range planning and the potential financial impact of climate change on the City are the topics of a new Office of City Auditor project. Initially the project will include Seattle City Light, Seattle Public Utilities, Seattle Department of Transportation, and the Office of Sustainability and Environment, but it may broaden to include other City departments and offices.

“The findings bolster climate modeling the UW scientists updated last year that now suggests the **water content of the Cascade snows would drop by 59 percent** in the coming half-century under the most conservative warming scenarios prepared by international experts.” “Global Warming hitting Northwest hard, researchers warn” Seattle Times, February 14, 2004

“**Winter flooding, summer drought, glacial retreat, reductions in snowpack and other extreme weather events are on deck for the Pacific Northwest.** This may sound like something of biblical proportions, but climate scientists in Seattle and around the world are studying climate models that confirm these scientific predictions. Despite the political rhetoric on the uncertainties of the science, **there is little debate among scientific community on the reality of climate change.** “Climate change in our own back yard” The Seattle Times, February 13, 2004

“Although Western energy rates have stabilized, experts say the market remains volatile. Political forces from outside the region also have designs on the Northwest power benefit of low-cost hydroelectric power. And scientists say that global warming over time will adversely affect Northwest snow pack, which ultimately will affect hydropower dams.” “Fresh faces, renewed focus for Seattle City Light, Seattle Times, February 23, 2004

Based on a recent call to the office's hotline, the Office of City Auditor is conducting some background work on the issue of overweight vehicles on City streets. At the request of Seattle City Light, we are also starting a review of Project Share, which is a City program to help low-income customers pay their electricity bills.

Status of Seattle Office of City Auditor Rolling Work Program¹

(highlighted projects denote change in status from February)

Projects in the Preliminary Stage (see definitions below)

City Attorney Department Asset Allocation (On Hold)
Police Department Asset Allocation
Overweight Trucks on Streets

Projects in the Job Design Phase

Business Taxes
Case Study of Contracting History With One Vendor
Construction Contract Closeout
City Procurement Cards
Domestic Violence
Information Technology Efficiencies
Impact of Climate Change on City Operations and Facilities
Museum Development Authority
Procurement at Seattle Public Utilities
Project Share
Seattle City Employees Retirement System Follow-Up
Small Works Roster–Construction
Seattle Center Funding

Projects in the Data Gathering and Analysis Phase

Low Income Rate Assistance Follow Up
Seattle Channel
Treasury and Business Improvement Area Follow-Up

Projects in the Report Writing Phase

Vehicle Impounds (Consulting Project)
Carkeek Park Environmental Learning Center
Response to SLI on Quality Assurance Reviews of
Information Technology Projects (Non Audit Project)
Weights and Measures Program (preliminary review)
Seattle City Light Customer Service Center Cash Audit

To Do Projects

Boards and Commissions
Boundary Dam Internal Controls
City’s Weatherization Programs
Construction Scheduling
Fire Levy
Madison Pool Facility Cash Fund Follow-up
Municipal Court Collection Services Follow-Up
Neighborhoods Service Centers Cash Handling Follow-Up
Quality Assurance Review of Office of City Auditor
Seattle City Light Follow-Up
Seattle Department of Transportation Permit Center Follow-Up
Small Works Roster–Consultants
Warehouses–Citywide

Ongoing

Cable Customer Bill of Rights
Citywide Cash Handling

Preliminary: Preliminary review under way to determine whether topic is valuable for an audit.

Job Design: Audit scope is determined and a data-gathering plan is developed. A decision is also made on whether not to continue the audit at the end of this phase.

Data Gathering and Analysis: Comprehensive fieldwork and in-depth analysis is completed during this phase.

Report Writing: Development of the final report.

Follow-Up: Assessment of City departments’ implementation of earlier audit recommendations is often completed one to two years after publication.

To Do: Issues the office will consider examining as staff resources become available.

Ongoing: Official briefings, management reporting, and other small consulting engagements performed on a continuous or regular basis.

¹The Office of City Auditor maintains a “rolling” work program. Throughout the year, we receive new audit suggestions and reprioritize our work program to ensure that we address the most important issues first. The office is currently staffed to complete 12 to 14 projects annually.